

# Valagua Metropolitan District

NOTICE IS HEREBY GIVEN that a Regular meeting of the Board of Directors of the Valagua Metropolitan District, Town of Gypsum, Eagle County, Colorado, has been scheduled to take place on Friday, September 18, 2020 beginning at 1:00 pm.

*Due to the State of Emergency declared by Governor Polis and Public Health Order 20-23 Implementing Social Distancing Measures, and the threat posed by the COVID-19 coronavirus, this meeting will be held via teleconferencing and can be joined through the following link and/or number:*

Zoom Meeting Link

<https://us02web.zoom.us/j/84910812752?pwd=VFJlQTY5MlU0VEpOQk5qUitmQTdyUT09>

Meeting ID: 849 1081 2752 Passcode: 898053 Phone: (346) 248-7799

## AGENDA

1. Call to Order, Declaration of Quorum
2. Disclosure of Potential Conflicts of Interest
3. Consideration of the Agenda
4. Public Comment - Members of the public may express their views to the Board on matters that affect the District. Comments are limited to three (3) minutes.
5. Minutes - Review and Approval of the May 15, 2020 Meeting Minutes
6. Legal Matters
7. Business
  - a. Audit Engagement Letter
  - b. Consideration of the 2021 Meeting Schedule
  - c. Other Business
8. Financial Matters
  - a. Review of August 31, 2020 Financials
  - b. Public Hearing and Consider Approval of 2021 Budget Resolution
  - c. Review, Approval and Ratification of the Accounts Payable
9. Executive Session - (If Necessary)
10. Future Meeting Dates - Next Regular Meeting Scheduled For May 21, 2021
11. Adjournment

### Valagua Metropolitan District Board

	<u>Term Exp:</u>
Donald E. Janklow, President	2023
Brandon Causey, Secretary/Treasurer	2022
Scott Green, Asst Sec/Treasurer	2023
Jeff Petersen, Asst Sec/Treasurer	2022
Maury Keller, Asst Sec/Treasurer	2022

The foregoing Notice of Meeting/Agenda was posted on the District's website at [www.valaguametro.org](http://www.valaguametro.org) at least 24-hours prior to the meeting pursuant to House Bill 19-1087, codified in Section 24-6-402 C.R.S. as the designated posting location for notices of public meetings (regular, special and study sessions), adopted September 20, 2019.

**VALAGUA METROPOLITAN DISTRICT**  
**STATEMENT OF NET POSITION**  
**August 31, 2020**

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Fixed Assets And LT Debt</u>	<u>Total</u>
<b>ASSETS:</b>				
CASH- CSAFE Checking	349,524	58,876		408,400
CASH- 1stBank Checking	15,834			15,834
CASH- Bond Payment Fund		41		41
CASH- Bond Surplus Fund		-		-
CASH- Bond Reserve Fund		-		-
Due From County Treasurer	-	-		-
Property Taxes Receivable	1,460	4,995		6,455
Prepaid Expenses	-	-		-
Roads & Right-of-Ways			87,637	87,637
Water			282,157	282,157
Sewer			420,676	420,676
Parks & Recreation			224,911	224,911
Water & Sewer To Be Conveyed			788,377	788,377
Accumulated Depreciation			(631,727)	(631,727)
<b>TOTAL ASSETS</b>	<b>366,818</b>	<b>63,913</b>	<b>1,172,031</b>	<b>1,602,762</b>
<b>LIABILITIES AND DEFERRED INFLOWS:</b>				
Accounts Payable	-			-
Payroll Taxes Payable	77			77
Deferred Property Taxes	1,460	4,995		6,455
Accrued Interest Payable			-	-
Due But Unpaid Interest			8,719,467	8,719,467
2008 Bonds Payable			21,000,000	21,000,000
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS</b>	<b>1,537</b>	<b>4,995</b>	<b>29,719,467</b>	<b>29,725,999</b>
<b>NET POSTION:</b>				
Investment in Capital Assets			1,172,031	1,172,031
Investment In Debt			(29,719,467)	(29,719,467)
Fund Balance- Nonspendable	-			-
Fund Balance- Restricted	2,220	58,918		61,137
Fund Balance- Unrestricted	363,062			363,062
<b>TOTAL NET POSITION</b>	<b>365,281</b>	<b>58,918</b>	<b>(28,547,436)</b>	<b>(28,123,237)</b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>366,818</b>	<b>63,913</b>	<b>1,172,031</b>	<b>1,602,762</b>
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No assurance is provided on these financial statements;  
substantially all disclosures required by GAAP omitted.

VALAGUA METROPOLITAN DISTRICT  
STATEMENT OF REVENUE, EXPENDITURES  
AND CHANGES IN FUND BALANCE

MODIFIED ACCRUAL BASIS

COMBINED SUMMARY FINANCIALS	2019 Audited Actual	2020 Adopted Budget	Variance Favorable (Unfavor)	2020 Forecast	8 Months Thru 08/31 Actual	8 Months Thru 08/31 Budget	Variance Favorable (Unfavor)	2021 Prelim Budget	Budget Comments
<b>Assessed Value</b>	3,730,220	4,472,370		4,472,370				4,472,370	Not a Reassessment Year
Operations Mill Levy	15.000	15.000		15.000				15.000	Per General Fund
Debt Service Mill Levy	51.390	51.308		51.308				51.308	Gallagherized Rate Per DS Fund
<b>Total Mill Levy</b>	<b>66.390</b>	<b>66.308</b>		<b>66.308</b>				<b>66.308</b>	
<b>REVENUES &amp; OTHER SOURCES</b>									
Property Taxes- Operations	56,127	67,086	-	67,086	65,625	63,731	1,894	67,086	AV * Mill Levy / 1,000
Property Taxes- Debt Service	192,291	229,468	-	229,468	224,473	217,995	6,478	229,468	AV * Mill Levy / 1,000
Specific Ownership Taxes	13,365	12,700	-	12,700	8,299	7,408	891	12,652	4.25% of taxes
Interest Income	8,133	19,000	(14,000)	5,000	2,264	4,467	(2,203)	11,400	Includes \$10,000 of contingency
<b>TOTAL REVENUES</b>	<b>269,915</b>	<b>328,254</b>	<b>(14,000)</b>	<b>314,254</b>	<b>300,661</b>	<b>293,601</b>	<b>7,060</b>	<b>320,606</b>	
<b>EXPENDITURES</b>									
<b>OPERATIONS</b>									
General Fund Operations	42,328	85,827	35,626	50,201	38,272	49,538	11,266	85,677	See General Fund
Debt Svc Treasurers and Other Fees	5,782	16,884	10,000	6,884	6,740	6,540	(201)	16,884	See Debt Service Fund
<b>Total Operations</b>	<b>48,110</b>	<b>102,711</b>	<b>45,626</b>	<b>57,085</b>	<b>45,013</b>	<b>56,078</b>	<b>11,066</b>	<b>102,561</b>	
<b>PUBLIC SAFETY</b>	-	-	-	-	-	-	-	-	No Longer Funded
<b>DEBT SERVICE</b>									
Bond Payments- Principal	-	-	-	-	-	-	-	-	No Funds Available
Bond Payments- Interest	196,736	235,245	577	234,667	168,710	187,863	19,153	232,845	Only Partially Paid
Bond Issue Costs	-	-	-	-	-	-	-	-	
<b>Total Debt Service</b>	<b>196,736</b>	<b>235,245</b>	<b>577</b>	<b>234,667</b>	<b>168,710</b>	<b>187,863</b>	<b>19,153</b>	<b>232,845</b>	
<b>CAPITAL</b>	-	-	-	-	-	-	-	-	No Capital Projects
<b>TOTAL EXPENDITURES</b>	<b>244,846</b>	<b>337,956</b>	<b>46,203</b>	<b>291,753</b>	<b>213,723</b>	<b>243,941</b>	<b>30,218</b>	<b>335,406</b>	
<b>CHANGE IN FUND BALANCES</b>	<b>25,069</b>	<b>(9,702)</b>	<b>32,203</b>	<b>22,501</b>	<b>86,939</b>	<b>49,660</b>	<b>37,279</b>	<b>(14,800)</b>	
<b>BEGINNING FUND BALANCES</b>	312,191	324,044	13,216	337,260	337,260	324,044	13,216	359,761	
<b>ENDING FUND BALANCES</b>	<b>337,260</b>	<b>314,342</b>	<b>45,420</b>	<b>359,761</b>	<b>424,199</b>	<b>373,704</b>	<b>50,495</b>	<b>344,961</b>	

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VALAGUA METROPOLITAN DISTRICT  
STATEMENT OF REVENUE, EXPENDITURES  
AND CHANGES IN FUND BALANCE

MODIFIED ACCRUAL BASIS

GENERAL FUND	2019 Audited Actual	2020 Adopted Budget	Variance Favorable (Unfavor)	2020 Forecast	8 Months Thru 08/31 Actual	8 Months Thru 08/31 Budget	Variance Favorable (Unfavor)	2021 Prelim Budget	Budget Comments
<b>REVENUES</b>									
Assessed Value	3,730,220	4,472,370		4,472,370				4,472,370	Not a Reassessment Year
Operating Mill Levy Rate	15,000	15,000		15,000				15,000	Maximum Allowed Mill Levy
Property Taxes	56,127	67,086	-	67,086	65,625	63,731	1,894	67,086	Assd Value Times Mill Levy
Specific Ownership Taxes	3,020	2,900	-	2,900	1,877	1,692	186	2,900	4.25% of taxes
Interest Income	6,980	6,500	(2,500)	4,000	1,707	4,333	(2,626)	900	0.25% of fund balance
<b>TOTAL REVENUE</b>	<b>66,126</b>	<b>76,486</b>	<b>(2,500)</b>	<b>73,986</b>	<b>69,210</b>	<b>69,756</b>	<b>(547)</b>	<b>70,886</b>	
<b>EXPENDITURES</b>									
<b>GENERAL OPERATIONS</b>									
Accounting & Management	17,616	20,700	1,700	19,000	12,847	13,600	753	21,000	Based on 2020 Forecast
Audit	4,750	4,750	-	4,750	4,750	4,750	-	4,900	Based on 2020 Forecast
Directors Fees	875	1,615	-	1,615	547	1,077	530	1,615	Assuming 3 Meetings per Year
Election	-	2,000	(615)	2,615	2,183	2,000	(183)	0	No Election in 2021
Insurance	2,688	2,900	(189)	3,089	3,089	2,900	(189)	3,500	Based on 2020 Forecast
Legal	3,176	10,000	4,000	6,000	2,876	6,667	3,791	10,000	Based on 2020 Budget
Office Overhead & Supplies	1,615	2,000	-	2,000	889	1,333	444	2,100	Based on 2020 Forecast
Website	-	-	(650)	650	650	-	(650)	700	Based on 2020 Forecast
Treasurers Fees	1,688	2,013	-	2,013	1,971	1,912	(59)	2,013	3% of Taxes
Bank & Trustee Fees	3,250	3,250	-	3,250	3,250	3,250	-	3,250	Negotiated rate
Valley Road, Fence, & Path Maintenance	5,220	15,000	9,780	5,220	5,220	11,250	6,030	15,000	Weed control and fence maintenance
Mosquito Spraying	1,450	1,600	1,600	-	-	800	800	1,600	Assume 4 applications per year
General Engineering	-	-	-	-	-	-	-	0	No Capital
Operating Contingency	-	20,000	20,000	-	-	-	-	20,000	To avoid budget amendment
<b>TOTAL GENERAL OPERATIONS</b>	<b>42,328</b>	<b>85,827</b>	<b>35,626</b>	<b>50,201</b>	<b>38,272</b>	<b>49,538</b>	<b>11,266</b>	<b>85,677</b>	
<b>TOTAL EXPENDITURES</b>	<b>42,328</b>	<b>85,827</b>	<b>35,626</b>	<b>50,201</b>	<b>38,272</b>	<b>49,538</b>	<b>11,266</b>	<b>85,677</b>	
<b>REVENUE OVER (UNDER) EXPEND.</b>	<b>23,798</b>	<b>(9,342)</b>	<b>33,126</b>	<b>23,784</b>	<b>30,938</b>	<b>20,218</b>	<b>10,720</b>	<b>(14,792)</b>	
<b>OTHER FINANCING SOURCES AND (USES)</b>									
Bond Proceeds	-	-	-	-	-	-	-	-	
Bond Proceeds Xfer From (To) D/S Fund	-	-	-	-	-	-	-	-	No funds available
<b>TOTAL OTHER SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>NET CHANGE IN FUND BALANCE</b>	<b>23,798</b>	<b>(9,342)</b>	<b>33,126</b>	<b>23,784</b>	<b>30,938</b>	<b>20,218</b>	<b>10,720</b>	<b>(14,792)</b>	
Fund Balance- Beginning	310,545	322,050	12,294	334,344	334,344	322,050	12,294	358,128	
<b>Fund Balance- Ending</b>	<b>334,344</b>	<b>312,708</b>	<b>45,420</b>	<b>358,128</b>	<b>365,281</b>	<b>342,268</b>	<b>23,013</b>	<b>343,336</b>	

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VALAGUA METROPOLITAN DISTRICT  
STATEMENT OF REVENUE, EXPENDITURES  
AND CHANGES IN FUND BALANCE

MODIFIED ACCRUAL BASIS

DEBT SERVICE FUND	2019 Audited Actual	2020 Adopted Budget	Variance Favorable (Unfavor)	2020 Forecast	8 Months Thru 08/31 Actual	8 Months Thru 08/31 Budget	Variance Favorable (Unfavor)	2021 Prelim Budget	Budget Comments
<b>REVENUES</b>									
Assessed Value	3,741,670	4,472,370		4,472,370				4,472,370	Not a Reassessment Year
Debt Service Mill Levy Rate	51,390	51,308		51,308				51,308	Required 50 Mills Gallagherized
Property Taxes	192,291	229,468	-	229,468	224,473	217,995	6,478	229,468	Assd Value Times Mill Levy
Specific Ownership Taxes	10,345	9,800	-	9,800	6,422	5,717	705	9,752	4.25% of Property taxes
Interest Income	1,153	12,500	(11,500)	1,000	557	133	423	10,500	\$500 Plus \$10,000 contingency
<b>TOTAL REVENUES</b>	<b>203,789</b>	<b>251,768</b>	<b>(11,500)</b>	<b>240,268</b>	<b>231,452</b>	<b>223,845</b>	<b>7,607</b>	<b>249,721</b>	
<b>EXPENDITURES</b>									
Bond Interest- 2008 Series	196,736	235,245	577	234,667	168,710	187,863	19,153	232,845	\$1,627,500 due but not all available
Bond Principal- 2008 Series	-	-	-	-	-	-	-	-	Pmts due but no funds available
Treasurers Fees	5,782	6,884	-	6,884	6,740	6,540	(201)	6,884	3% of Property taxes
Bank Fees	-	-	-	-	-	-	-	-	
Contingency	-	10,000	10,000	-	-	-	-	10,000	To avoid budget amendment
<b>TOTAL EXPENDITURES</b>	<b>202,518</b>	<b>252,129</b>	<b>10,577</b>	<b>241,551</b>	<b>175,450</b>	<b>194,403</b>	<b>18,952</b>	<b>249,729</b>	
<b>REVENUE OVER (UNDER) EXP</b>	<b>1,271</b>	<b>(360)</b>	<b>(923)</b>	<b>(1,283)</b>	<b>56,001</b>	<b>29,442</b>	<b>26,559</b>	<b>(8)</b>	
<b>OTHER FINANCING SOURCES (USES)</b>									
Bond Proceeds Transfer from (to) General Fund	-	-	-	-	-	-	-	0	All Funds Used In Prior Years
<b>TOTAL OTHER FINANCING S &amp; U</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	
<b>CHANGE IN FUND BALANCE</b>	<b>1,271</b>	<b>(360)</b>	<b>(923)</b>	<b>(1,283)</b>	<b>56,001</b>	<b>29,442</b>	<b>26,559</b>	<b>(8)</b>	
Fund Balance- Beginning	1,645	1,994	923	2,916	2,916	1,994	923	1,633	
<b>Fund Balance- Ending</b>	<b>2,916</b>	<b>1,633</b>	<b>0</b>	<b>1,633</b>	<b>58,918</b>	<b>31,436</b>	<b>27,482</b>	<b>1,625</b>	Funds rec'd after 12/1 payment due
	=	=	=	=	=	=	=	=	
<b>SCHEDULE OF UNPAID BUT ACCRUED INTEREST</b>									
Interest Payments Due During Year	1,627,500	1,627,500		1,627,500	813,750			1,627,500	\$21M at 7.75%
Less Amounts Paid/ Amounts Available For Pmt	(196,736)	(235,245)		(234,667)	(168,710)			(232,845)	Amt Available Per Above
Semi-Annual Compounding	557,202	713,092		713,847	337,879			879,597	Compounding at 7.75%
Total Additions (Reductions) to Unpaid Interest	1,987,966	2,105,347		2,106,679	982,919			2,274,252	
Beginning Balance	6,731,501	8,719,467		8,719,467	8,719,467			10,826,147	
<b>Ending Balance of Unpaid But Accd Int</b>	<b>8,719,467</b>	<b>10,824,814</b>		<b>10,826,147</b>	<b>9,702,386</b>			<b>13,100,399</b>	Accrued to Future Years
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